5W-04210A.10.0392

ORIGINAL



ARIZONA CORPORATION COMMIS

UTILITY COMPLAINT FORM

Investigator: Sheila Stoeller

Phone: 602-542-4143

Priority: Respond Within Five Days

Arizona Corporation Commission DOCKETED

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Opinion

No. 2011 - 94944 Date: 5/3/2011MAY

3 2011

Complaint Description:

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Kenneth

Account Name:

Kenneth Wilkes

Wilkes

Home: Work:

Street:

State:

City:

Wellton

ΑZ

Zip: 85356

СВ is: E-Mail

DOCKETED BY

Utility Company.

The Links at Covote Wash Utilities, LLC

Division:

Sewer/Water

Contact Name:

Jason Williamson

Contact Phone:

Nature of Complaint:

5/2 -- following opinion filed on Public Comment form:

We were surprised by the request for an increase in Revenues of \$60,000 by the Utility and the Commission staff recommendation of approximately \$39,000. Given the revenue shortfall was \$6,206 that would have required 18 more users for the year to break even. This would not have been a difficult task to accomplish except for mismanagement by the Utility and the Developer. Of course there would be a need for additional funds for maintenance, etc. but not to the amounts discussed above. The issue boils down to not charging all parcel holders appropriately for their usage of the system and not charging owners of vacant lots an appropriate amount because they opted to ignore the CC&R's in place when they purchased the lot (parcel). Specifically they were given the CC&R's before purchase that stated they had to begin building in 2 years and complete within 4 years. I can only conjecture that the Developer's business plan was based on those parcels contributing to the operation of the Sewer System. Furthermore, there are a large number of parcels that have multiple hook ups to the Sewer System who are paying the rate for a single connection. If the Developer/Utility was managing these issues and not ignoring the CC&R's there would be no need for a large increase in monthly charges if any at all.

Another disturbing point, recently (this winter) on several occasions resident of Coyote Wash #3 has observed an unmarked truck dumping what is presumed to be sewage into a man hole in a remote section of the development. Some poor quality pictures are available should you wish to have them. The questions are: who is doing this, are they authorized by the Developer/Utility and how much are they being charged if at all. The sanitation of such an operation is highly questionable as well.

In summary we the residents do not feel it is appropriate to incur a large increase in monthly fees because poor management and record keeping by the Developer/Utility. With very little work they could find the abuses mentioned above and receive enough funds to more than break even. That all being said, we need a reliable, well maintained Sewer System in al Phases of Coyote Wash, but all the burden cannot be put on the backs of those who have been meeting their obligations.

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There has been no open forum with all interested parties attending to discuss these issues and to jointly arrive at acceptable solutions. As we have pointed out there are several possibilities available and we are sure there are others. It is time for such a forum before approving a rate increase. We believe the Commission has the power to make that happen. Because of the number of Winter Visitors involved, setting a date for such a forum should be between December 1, 2011 and March 31, 2012. In the mean while the Utility/Developer should be able to find a way for the fine to be applied to the operations of the Sewer System to ensure ongoing stability while requiring a long range detailed business plan and input from the forum before granting any rate increase.

We hope this can be valuable input to your hearing. We will not be able to attend the meeting but we are available by phone. Many other residents can be made available as well.

Thank you for the opportunity to address this most important issue,

Kenneth & Anna Wilkes *End of Complaint*

Utilities' Response:

Investigator's Comments and Disposition:

5/3 -- OPINION DOCKETED in Docket # SW-04210A-10-0392. Also forwarded to the Company for review. *End of Comments*

Date Completed: 5/3/2011

Opinion No. 2011 - 94944